

MEMORANDUM

Agenda Item No. 8(G)(2)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: January 22, 2014

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving the budget
for Fiscal Year 2013-14 for the
North Miami Beach Community
Redevelopment Agency

The accompanying resolution was prepared by the Office of Management and Budget and placed on the agenda at the request of Prime Sponsor Finance Committee.



R. A. Cuevas, Jr.
County Attorney


RAC/smm

Memorandum



Date: January 22, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: FY 2013-14 Budget for the North Miami Beach Community Redevelopment Agency

Recommendation

It is recommended that the Board of County Commissioners (Board) consider the attached resolution approving the North Miami Beach Community Redevelopment Agency's (Agency's) FY 2013-14 budget for the North Miami Beach Community Redevelopment Area (Area). The Agency's budget includes revenues and expenditures in the amount of \$5,139,501.

The Board must approve the Agency's budget prior to the Agency expending any funding in the Trust Fund, as required by Section III D of the Interlocal Agreement.

Scope of Agenda Item

The Area lies within Commission Districts 2 and 4, represented by Commissioner Jean Monestime and Commissioner Sally A. Heyman, respectively.

Fiscal Impact / Funding Source

The Agency's revenue source is tax increment financing (TIF), which is generated through the incremental growth of ad valorem revenues beyond an established base year, as defined in Section 163.387 of the Florida State Statutes. The Countywide TIF into the Agency's Trust Fund for FY 2013-14 is \$202,346 and the City of North Miami Beach's (City's) TIF payment into the Trust Fund is \$222,266.

The County will continue to make annual payments to the Agency, based on each year's growth of ad valorem revenues over the base year through 2028, which is when the CRA will sunset.

Track Record / Monitor

This item does not provide for contracting with any specific entity and only approves the Agency's FY 2013-14 Budget of \$5,139,501.

Background

On June 7, 2005, the Board approved the establishment of the Agency when it approved the Agency's Community Redevelopment Plan (Plan) pursuant to Resolution R-611-05 and the funding of the Plan when it enacted Ordinance No. 05-110 (Trust Fund). An Interlocal Agreement between Miami-Dade County and the Agency was also approved by the Board on June 7, 2005. The Interlocal Agreement requires the Agency to submit for County approval an annual budget for the implementation of the Plan. On December 19, 2006, the Board approved Resolution R-1427-06 allowing the Agency to enter into a loan for infrastructure improvements and property purchase not to exceed \$8 million, and extend the life of the Agency from 2015 to 2028.

The Interlocal Agreement requires the Agency to submit for County approval an annual budget for the implementation of the Plan.

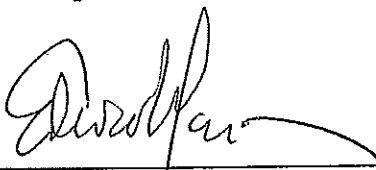
The Agency's FY 2013-14 budget of \$5,139,501 was approved by the Agency on August 27, 2013 and by the City on September 11, 2013. The budget includes revenue sources of County and City TIF payments (\$202,346 and \$222,266, respectively), carryover from prior years (\$4,679,589), and interest earnings (\$35,300).

Administrative expenditures total \$30,928 and represent seven percent of the total TIF revenues from the County and City, excluding the 1.5 percent County Administrative Charge (\$3,035), satisfying the 20 percent cap in administrative expenditures required by the Interlocal Agreement.

Operating Expenditures total \$3,389,322 and are described as follows:

- \$2,561,259 for new investments, and to support leveraging funding for the following initiatives: Hyatt Hotel, rezoning of the business district, façade improvements to Lorenzo's Market, sale and development of the former Winn Dixie site, future Tri-Rail Coastal Line stop at 164th Street, clean-up and redevelopment of the former TECO site;
- \$572,072 for debt service payments on two loans;
- \$130,000 for infrastructure improvements for the Commercial Façade and Interior Improvement Programs;
- \$51,491 for the portion of salaries and fringes associated with the CRA Coordinator providing direct support to redevelopment projects;
- \$45,000 for contractual services of Neighborhood Equity Strategies to implement redevelopment plan programs and attract new business and investment to the CRA as well to hire a branding consultant to improve identity as a place to work and do business;
- \$21,500 for general legal services related to development agreements, oversight of the façade improvement program, and land acquisition initiatives.
- \$8,000 for other operating expenditures such as printing, publishing, and marketing.

The budget also includes a reserve of \$1,716,216.



Edward Marquez
Deputy Mayor

Attachments

Mayor01514



MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: January 22, 2014

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(G)(2)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(G)(2)
1-22-14

RESOLUTION NO. _____

RESOLUTION APPROVING THE BUDGET FOR FISCAL
YEAR 2013-14 FOR THE NORTH MIAMI BEACH
COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, the Interlocal Cooperation Agreement between Miami-Dade County, Florida (the "County") and the North Miami Beach Community Redevelopment Agency (the "Agency") requires that the Agency transmit its adopted annual budget to the Board of County Commissioners of Miami-Dade County, Florida (the "Board") for approval; and

WHEREAS, this Board desires to approve the Agency's adopted annual budget for Fiscal Year 2013-14 for the North Miami Beach Community Redevelopment Area in the form attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The matters contained in the foregoing recitals are incorporated in this Resolution by reference.

Section 2. This Board approves the Agency's annual adopted budget for Fiscal Year 2013-14 related to the North Miami Beach Community Redevelopment Area in the form attached hereto as Exhibit A.

The foregoing resolution was offered by Commissioner
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Jean Monestime
Sen. Javier D. Souto
Juan C. Zapata

Esteban L. Bovo, Jr.
Audrey M. Edmonson
Barbara J. Jordan
Dennis C. Moss
Xavier L. Suarez


The Chairman thereupon declared the resolution duly passed and adopted this 22nd day of January, 2014. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

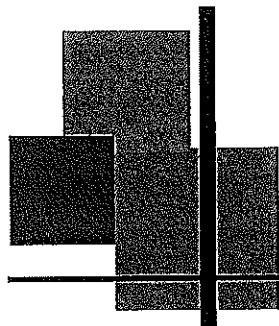
HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Shannon D. Summerset-Williams



CITY OF NORTH MIAMI BEACH

COMMUNITY REDEVELOPMENT AGENCY



**FISCAL YEAR
2013-2014
BUDGET**

Cra
NORTH MIAMI BEACH
community
redevelopment
agency

CITY OF NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY

The North Miami Beach Community Redevelopment Agency was created in 2005. A Tax-Increment revenue funding mechanism was established to include both the City of North Miami Beach and Miami-Dade County. Additionally, the CRA Initiated and received required approval from Miami-Dade County (R-1427-06, Dec. 19, 2006) for the issuance of two lines of credit totaling \$8 million. One note, \$3,000,000 for infrastructure improvements and reconstruction of streets within the CRA. The \$5,000,000 was to be used to acquire property for a future Transit Oriented Development (TOD) in a public/private partnership with Miami Dade Transit (MDT). The project was not accomplished and as a result the CRA requested the funds be used for much needed Infrastructure improvements and acquisition of commercial property for redevelopment. In April 2012, the Board of County Commissioners (BCC) approved the use of revenues from the line of credit for infrastructure improvements (\$4,000,000) and land purchase (\$1,000,000).

NMBCRA 2012-13 PAST ACCOMPLISHMENTS

This past year, CRA staff and the Economic Development Consultant:

1. Conducted a visioning session with the CRA Board and initiated an Economic Development Implementation Plan for the CRA;
2. Held a Development Symposium to attract businesses and developers to NMBCRA area, and have maintained continuous contact with the attendees.
3. Met continuously with developers and prospects for:
 - a. Braha Dixie/Parkview Business Center (173rd Street & West Dixie Highway). The Parkview Business Center site plan has been approved by the NMB Council. We have received a request for infrastructure grants, which is being reviewed.
 - b. TECO (157th Street & West Dixie Highway) in anticipation of requests for infrastructure grant dollars and TIF Recapture program. The Teco site clean-up plan has been approved by DERM and is underway. The Developer is expected to close on the property by the end of the year.
 - c. The property owner at NE 12th Avenue and 163rd Street, who has designed a retail and office project which is in the process of making its application to the City for development and zoning approvals.
 - d. The brokers and prospective buyers of the Winn Dixie parcel, one of which is close to executing an option to purchase the parcel for development of a mixed-use project.
4. Developed a TIF Recapture Program, which provides an incentive in the form of a rebate of a portion of the net new tax increment revenue generated by the eligible project.
5. Developed and produced Business Assistance and Economic Development Guides, available in print and online, which provides the following information to potential businesses:
 - a. Commercial Site Directory with property for sale, property for lease, and businesses for sale
 - b. Maps of development sites, real estate vacancy, businesses by type, demographics, traffic counts, and incentives
 - c. Market research

NMBCRA 2013-2014 REVENUE

NMBCRA FY 2013-2014 Revenues

Tax increment revenue in FY 2013-2014 for the NMBCRA will total \$424,612. The sources of revenue for FY 2013-2014 include tax increment revenue payments from the City of North Miami Beach of \$222,266 and Miami-Dade County of \$202,346 respectively and a carryover from FY 2011-2012 of \$4,679,589 plus \$35,300 projected interest on investments.

Tax Increment Revenue Payments

	(FY 12-13)	(FY 13-14)
TIF City Contribution	\$ 366,833	\$ 222,266
TIF County Contribution	\$ 183,310	\$ 202,346
Carryover	\$ 5,517,000	\$ 4,679,589
Projected Interest on Investments	\$ 11,500	\$ 35,300
Total Revenues:	\$ 6,078,643	\$ 5,139,501

NMBCRA FY2013-2014 EXPENSES

Focus of the NMB CRA will be to research and develop additional incentive programs such as the Transfer of Development Rights (TDR), the Interior Improvement Program and other programs not provided by the CRA, such as the New Market Tax Credits, EB-5, Free Trade Zone, Qualified Target Industry Tax Refunds, to name a few.

Implement a marketing and branding program focused on economic development and investment in the CRA, promoting the tools that are available, the market potential, available sites, including development of a full service website.

Identify potential projects for investment of the loan proceeds to prime the West Dixie Highway Corridor for new investment and support and leverage the investment and initiatives already underway and that are planned:

- the Hyatt Hotel,
- the proposed rezoning of the business district to encourage new investment;
- façade improvements to Lorenzo's Market;
- the sale and development of the former Winn Dixie site;
- the future Tri-Rail Coastal Line stop at 164th Street;
- the cleanup and redevelopment of the former TECO site;

ADMINISTRATIVE EXPENSES

1. Employee Salary and Fringe (\$17,164)

25% administrative personnel costs charges to the CRA for CRA Coordinator	<u>\$17,164</u>
Total:	\$17,164

Note: The operating personnel costs (75%) are listed in the "Operating Expenses" section.

2. Annual Audit (\$3,150)

The CRA is audited as a part of the City of North Miami Beach's annual audit (CAFR) and, as with all funds, pays its pro-rata share of the cost of the audit.

3. Advertising and Notices (\$1,000)

Legal Notices placed for CRA Workshops / Budget Meetings.

3. Travel (\$1,000)

Travel for conventions / seminars and developer meetings.

4. Other Administrative Expenses (\$8,614)

Overhead expenses include but are not limited to operating supplies, postage, professional organization membership dues, subscriptions to publications, and maintenance agreements. Specifically this amount includes professional memberships for Urban Land Institute, Florida Redevelopment Agency, International Downtown Association subscriptions and publications for South Florida Business Journal.

Total Administrative Expenses:	\$30,928
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5. County Administrative Charge (\$3,035)

Required County Fee @ 1.5% of County's tax increment contribution.

Total Administrative Expenses (Including County Admin Fee)	<u>\$33,963</u>
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OPERATING EXPENSES

1. Employee Salary and Fringe (\$51,491)

75% of Coordinator's salaries and fringes:

CRA Coordinator	\$51,491
Total:	<u>\$51,491</u>

Note: The administrative personnel costs (25%) are listed in the "Administrative Expenses" section.

2. Contractual Services/Economic Development/Branding (\$45,000)

The Economic Development Consultant, Neighborhood Equity Strategies, will continue to assist with, but not limited to, implementing the redevelopment plan, and developing new initiatives to attract new business and investment to the CRA.

\$25,000

The CRA will hire a Branding Consultant to work on improving its brand and identity as a good place to work and do business and build credibility.

	<u>\$20,000</u>
Total:	\$45,000

3. Printing and Publishing (\$5,000)

Covers the cost of producing agendas / annual reports and other documents required by the CRA Board, the Redevelopment Advisory Board and the Economic Development Commission Board. Also included are developer recruitment packages, welcome packages including annual public information and other documents needed to provide economic overview of the City & CRA.

4. Marketing (\$3,000)

Through promotional activities, the CRA will promote its services and activities to new businesses and developers interested in doing business and applying for existing programs and incentives.

5. Legal Services Costs (\$21,500)

Outside (non-City) legal assistance for development agreements/legal issues and attendance at CRA Board & Redevelopment Advisory Board Meetings. The law firm shall provide continuous services as General Counsel and additional services consisting of representation of the CRA, counseling, giving legal advice, formulating legal strategy, and acting as legal counsel with respect to the governance and operations of the CRA. "Legal services" shall include review of contracts and agreements, and the rendering of legal opinions as requested by the CRA or members of its governing board.

A Recorder is contracted to transcribe meeting minutes.

6. Acquisition / Infrastructure: (\$2,561,259)

- a. \$318,186: Encumbered from FY12-13 Approved Budget to beautify SR826 & installation of sewer on NE 163rd Street & NE 19th Avenue.
- b. \$2,243,073: Invest the loan proceeds that prime the West Dixie Highway Corridor for new investment and support and leverage the investment and initiatives already underway and that are planned:
 - the Hyatt Hotel,
 - the proposed rezoning of the business district to encourage new investment;
 - façade improvements to Lorenzo's Market;
 - the sale and development of the former Winn Dixie site;
 - the future Tri-Rail Coastal Line stop at 164th Street;
 - the cleanup and redevelopment of the former TECO site;

7. Capital Projects Total (\$130,000)

Commercial Façade Improvement and Interior Improvement Programs

BUDGET CRA: TIF Investment -

\$130,000

Through the Façade Improvement & Interior Improvement Grant Programs, the NMB CRA will target properties on – West Dixie Highway between NE 163rd Street & 172nd Street to enhance their visibility, attract new business and new development for that area. The grant will pay for 50% of the total cost of an approved project up to a maximum cost of \$25,000. All improvements must be in compliance with any and all applicable codes, design standards, and all other restrictions of the City of North Miami Beach. Every project must be approved by the CRA, and is subject to fund availability.

8. Debt Service (\$572,072)

The repayment of borrowed funds for the 2 loans drawn down in 2007 and 2008. These loans expire on 2/1/2027.

- Debt service for the \$ 3,000,000 tax exempt \$206,670
 - Debt service for the \$ 5,000,000 taxable line of credit \$365,402
- \$572,072

9. Reserve (\$1,716,216)

Debt Service will be kept in reserve for the next three years until such time the TIF revenues increase as a result of redevelopment.

	(FY 12-13)	(FY 13-14)
Total Administrative Expenses:	\$43,756	\$ 33,963
Total Operating Expenses:	\$6,028,782	\$3,389,322
<u>Contingency /Reserve</u>	<u>\$ 6,105</u>	<u>\$1,716,216</u>
Total CRA Budget:	\$6,078,643	\$5,139,501

RESOLUTION NO. R2013-58

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, APPROVING THE FISCAL YEAR 2014 BUDGET OF THE NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on June 7, 2005, the Miami-Dade Board of County Commissioners adopted Resolution R-611-05 approving the Interlocal Corporation Agreement ("Agreement") among Miami-Dade County ("County"), the City of North Miami Beach ("City"), and the North Miami Beach Community Redevelopment Agency ("CRA"); and

WHEREAS, on July 26, 2005, the CRA adopted Policy Resolution 2005-02 approving the Agreement; and

WHEREAS, subsequently, on August 16, 2005, the Mayor and City Council of the City of North Miami Beach adopted and approved the Agreement under Resolution No. R2005-48; and

WHEREAS, the Agreement requires that the CRA approve and adopt an annual budget, and transmit its annual budget to the City for approval prior to transmitting said budget to the County for approval; and

WHEREAS, the CRA Board approved and adopted the FY 2014 annual budget at a public meeting on August 27, 2013.

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of North Miami Beach, Florida:

Section 1. The foregoing recitals are true and correct.

Section 2. The FY 2014 Budget for the CRA, attached hereto as "Exhibit A", is hereby approved.

RESOLUTION R2013-58

Section 3. The CRA Coordinator is hereby directed to transmit the CRA's FY 2014 Budget to the County for approval.

Section 4. This Resolution shall be effective immediately upon adoption hereof. Should the Miami-Dade Board of County Commissioners propose to modify its millage rate such that the Tax Increment contribution to the CRA is unissued or decreased, the CRA Coordinator is hereby directed to adjust the CRA budget accordingly, subject to the CRA Commissioners and City Council approving any changes that are made to ensure that an accurate and balanced budget is maintained.

Section 5. All revenues and interest carried forward from FY 2013 shall be appropriated according to established guidelines and applicable law.

APPROVED AND ADOPTED by the City Council of the City of North Miami Beach at the regular meeting assembled this **11th day of September, 2013.**

ATTEST:

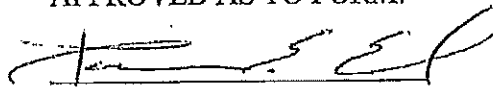


PAMELA L. LATIMORE
CITY CLERK


GEORGE VALLEJO
MAYOR

(CITY SEAL)

APPROVED AS TO FORM:


DARCEE S. SIEGEL
CITY ATTORNEY

SPONSORED BY: Mayor and City Council

RESOLUTION R2013-58

CRA POLICY RESOLUTION NO. 2013-5

**A RESOLUTION OF THE NORTH MIAMI BEACH
COMMUNITY REDEVELOPMENT AGENCY ("CRA")
APPROVING THE FISCAL YEAR 2013-2014 BUDGET;
AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, on June 7, 2005, the Miami-Dade Board of County Commissioners adopted Resolution R611-05 approving the Interlocal Cooperation Agreement ("Agreement") between Miami-Dade County ("County"), the City of North Miami Beach ("City"), and the North Miami Beach Community Redevelopment Agency ("CRA"); and

WHEREAS, on July 26, 2005, the CRA adopted CRA Policy Resolution 2005-02 approving the Agreement; and

WHEREAS, subsequently, on August 16, 2005, the Mayor and City Council of the City of North Miami Beach adopted and approved the Agreement under Resolution R2005-48; and

WHEREAS, the Agreement requires that the CRA approve and adopt an annual budget, and transmit its annual budget to the City for approval prior to transmitting said budget to the County for approval.

NOW, THEREFORE,

BE IT RESOLVED by the Board of Commissioners of the North Miami Beach Community Redevelopment Agency as follows:

Section 1. Each of the above stated recitals are hereby adopted and confirmed.

Section 2. The FY 2013-14 Budget for the Agency, attached hereto as "Exhibit A", is hereby approved.

Section 3. All expenditures associated with the FY2013-14 budget are allowable under the Redevelopment Plan and Florida State Statute.

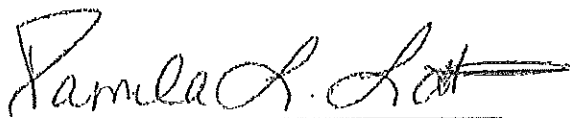
Section 4. The CRA Executive Director is hereby authorized to submit the Fiscal Year 2013-14 Budget to the City and the County for review and approval.

Section 5. All revenues and interest carried forward from FY 2012-13 shall be appropriated according to established guidelines and applicable law.

Section 6. This Resolution shall be effective immediately upon adoption hereof. Should the Miami-Dade County Board of Commissioners propose to modify its millage rate such that the Tax Increment contribution of the Community Redevelopment Agency is unissued or decreased, the Community Redevelopment Agency Executive Director is hereby directed to adjust the Community Redevelopment Agency budget accordingly, to ensure that an accurate and balanced budget is adopted and maintained.

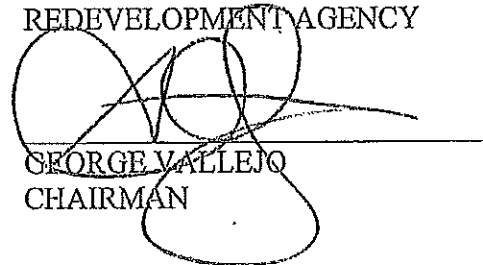
APPROVED AND ADOPTED by the Board of Commissioners of the North Miami Beach Community Redevelopment Agency at the regular CRA meeting assembled this 27th day of August, 2013.

ATTEST:



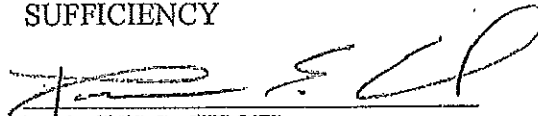
PAMELA L. LATIMORE
BOARD CLERK

NORTH MIAMI BEACH COMMUNITY
REDEVELOPMENT AGENCY



GEORGE VALLEJO
CHAIRMAN

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY



DARCEE S. SIEGEL
CRA ATTORNEY

Sponsored by: Chairperson & Commission